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Consumer markets abroad

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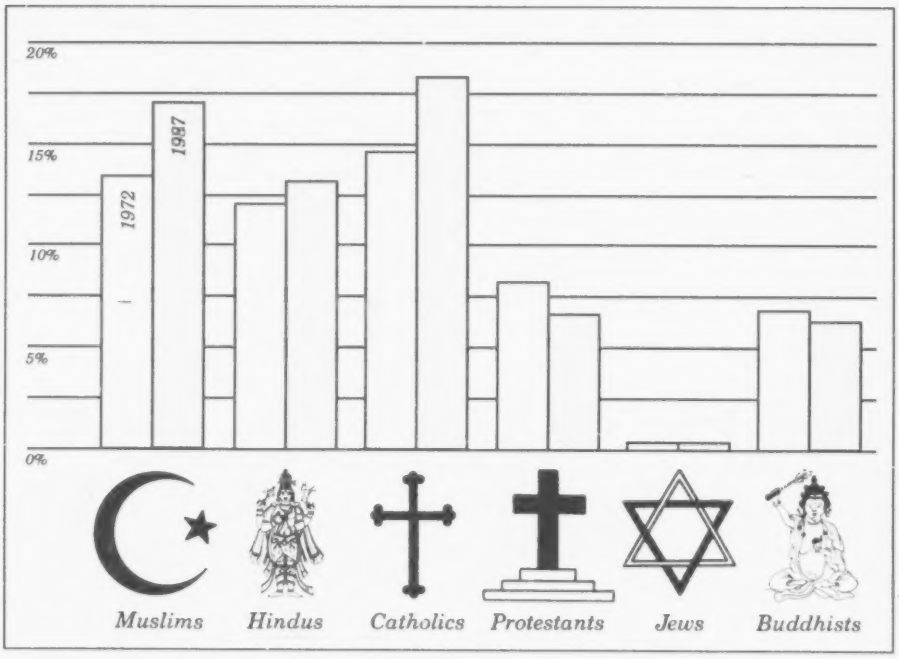
WORLD PIETY COUNT

HOW MANY BELIEVERS?
Almost half the world's people are now Muslim, Hindu, or Catholic. Many of them live in the world's poorest regions.
(Religious adherents as percent of world population, 1972 and 1987)



Source: "Estimated Religious Population of the World," *The 1987 Encyclopedia Britannica Book of the Year*; S. Brook, "Ethnic, Racial and Religious Structure of the World Population," Population and Development Review, *vol. 5, no. 3, September 1979.*

The world's fastest-growing religions are most popular in low-income regions of the world.

Businesses must understand the lifestyles of Muslims and Hindus—two of the world's fastest-growing religions—to succeed internationally. Although one-third of the

LIFESTYLES AROUND THE WORLD

world's five billion people belong to some Christian faith, Muslims and Hindus live in regions of high population growth—Asia, Africa, and Latin America.

Muslims today number nearly 1 billion. That means one in five people is an adherent of Islam. It is the predominant faith in 40 countries. And in 28 of those countries, believers in Islam make up 90 percent of the population, according to demographer Nazy Roudi.

Indonesia is the world's largest

(continued on page 9)

FORMERLY INTERNATIONAL DEMOGRAPHICS
VOLUME 7 NUMBER 8 AUGUST 1988

SHANGHAI'S CHANGING FORTUNE

The volume of Shanghai's 12 million consumer voices is rising. That makes leaders in China's largest municipality nervous.

Few foreigners realize that Shanghai outnumbers Beijing by 2.5 million people. China's largest municipality rivals Mexico City, Tokyo, and New York City in population. Fully 12.2 million Chinese now make Shanghai the fifth largest urban area in the world.

Shanghai's numbers present either an opportunity or a threat to municipal leaders, now that China's Communist Party general secretary Zhao Ziyang is pushing economic reform further ahead. Incomes are

I N D E P T H

skyrocketing up and down the east coast, and consumers expect to match the gains of their comrades in Beijing and Guangdong. But Shanghai's urbanites are beginning to lag behind, a position that these cosmopolitan Chinese find hard to accept.

VITAL LINK

Shanghai, meaning "on the sea," is one of three municipalities under the direct administration of China's central government. Along with Beijing and Tianjin, Shanghai functions as a province. This year the municipality gained greater control over its own economy, a measure that gives newly-elected mayor Zhu Rongji a chance to address the growing consumer frustration.

About 2,400 square miles (or 6,200 square kilometers) in area, the municipality is located on the Huangpu River, 10 miles upstream from the Chang Jiang (Yangtse) River. Waterways link Shanghai to major inland cities, such as Nanjing, Chongqing, and Wuhan. They also make the city a key international trading center. The port of Shanghai is China's largest and ranks in the world's top ten.

CITY MUSCLE

Ten suburban counties and 12 downtown districts make up the Shanghai municipality. More than half of the Chinese in the municipality—or 7.5 million people—live in Shanghai City's 12 districts. These districts only cover 131 square miles of municipal territory.

The focal point of Shanghai's consumer and tourist activity is the

SHANGHAI SQUEEZE

Shanghai is China's most crowded city, but it is also one of China's most educated. (Shanghai population, 1982, density, in persons per square kilometer, 1982, and percent literate, 1982)*

	Total population	*Density (per km²)*	*Percent literate*
Total Shanghai municipality	11,859,700	1,913	**83.3%**
Shanghai City	6,320,829	28,357	**88.8**
Shanghai County	587,652	1,300	**81.4**
Baoshan	436,277	1,054	**80.6**
Chuansha	663,675	1,410	**80.5**
Jiading	521,255	1,064	**79.2**
Chongming	755,481	793	**76.3**
Nanhui	657,504	980	**76.3**
Fengxian	507,451	812	**74.0**
Jinshan	498,292	830	**72.4**
Qingpu	433,035	639	**71.2**
Songjiang	478,249	802	**70.7**

* ***Note:*** *According to the Chinese, a literate person is one who knows at least 1,500 Chinese characters, is able to read simple books and newspapers, and can write simple messages.*
Source: *Population Census Office of the State Council, and the Institute of Geography of the Chinese Academy of Sciences,* The Population Atlas of China, *Hong Kong: Oxford University Press, 1984, Appendix 1, pp. 168–169.*

Consumer markets abroad

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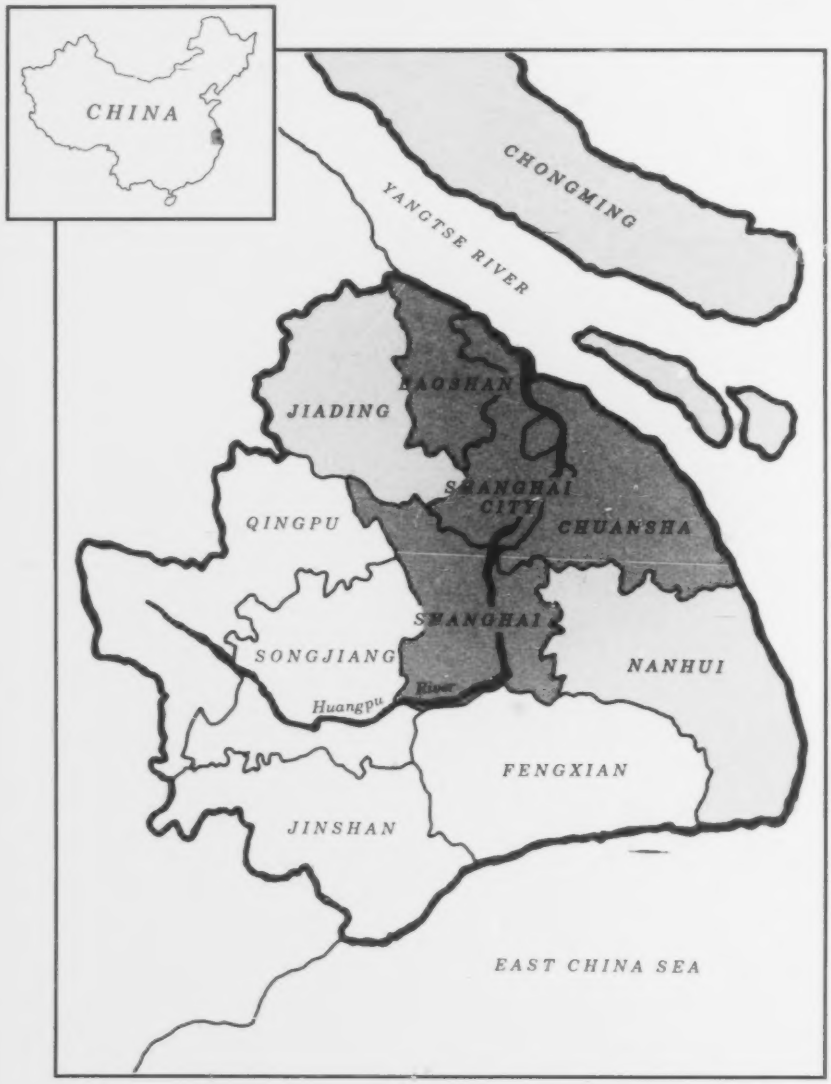
Bund. This wide European-style avenue at the juncture of the Huangpu and Wusung rivers has served as a major commercial center since the Song Dynasty (960–1279 AD).

Built by Westerners for Western use, the Bund continues to symbolize foreign influence in China. During the peak of westernization at the turn of the century, Chinese were

More than half of the Chinese in the Shanghai municipality—or 7.5 million people—live in Shanghai City's 12 districts. These districts only cover 131 square miles of municipal territory.

URBAN ELITE

Despite Shanghai's crowds, it's the city of choice for many Chinese. Wages are high, stores are stocked, and people are educated. (Shanghai counties by literacy rate, in percent, 1982)



Source: Murphey, Shanghai, *in Mattei Dogan and John D. Kasarda (editors),* The Metropolis Era, *vol. 2,* Mega-Cities, *Newbury Park, CA, Sage Publications, 1988, p. 184.*

Overall, Shanghai has some of the highest educational enrollments in the country, with 45 full-time universities and vocational institutes.

prohibited from walking along this avenue in their own city. Today, with Deng Xiaoping's "Open Door Policy," the Bund is once again a major site for foreign commerce and tourism.

Shanghai's outlying counties are more homogeneous than the city proper. About one-half million people live in each of the ten counties. Chongming Island is the most populous, according to the 1982 census. With 755,000 people, Chongming outnumbers Nanhui and Chuansha counties by about 100,000.

But Chongming County is one of Shanghai's least dense. Only 793 people live on one square kilometer of land. Qingpu has the fewest people per square kilometer—639.

Although Beijing is the country's capital, Shanghai is China's trendsetter. For the newest developments in fashion, literature, business, education, and the arts, everyone looks to Shanghai. Recently, with so many goods flooding in through Hong Kong, Guangzhou has begun to share acclaim as China's cosmopolitan center.

AGE REPORT

Shanghai, Beijing, and Tianjin have the highest share of working-age Chinese. (Population of Chinese provinces and municipalities by median age, in years, and by age group, in percent, 1982)

		Percent share		
Region	*Median age*	*0–14*	*15–64*	*65+*
Mainland China	22.9 years	33.6%	61.5%	4.9%
Anhui	20.2	36.2	59.8	4.1
Beijing	27.2	22.4	72.0	5.7
Fujian	20.7	36.5	59.1	4.4
Gansu	20.1	36.3	60.2	3.5
Guangdong	22.5	33.9	60.7	5.4
Guangxi	20.0	37.5	57.4	5.1
Guizhou	18.8	40.9	54.5	4.7
Hebei	24.7	30.8	63.5	5.7
Heilongjiang	21.5	34.9	61.7	3.4
Henan	22.3	34.9	59.9	5.2
Hubei	23.1	32.7	62.3	5.0
Hunan	22.5	33.9	61.1	5.0
Inner Mongolia	21.1	35.5	60.9	3.6
Jiangsu	25.5	29.0	65.6	5.6
Jiangxi	19.7	38.8	56.7	4.5
Jilin	22.3	33.2	62.9	4.0
Liaoning	24.6	28.7	66.5	4.8
Ningxia	18.4	41.3	55.5	3.2
Qinghai	18.5	40.6	56.8	2.7
Shaanxi	22.9	33.1	62.4	4.6
Shandong	24.6	31.0	63.3	5.6
Shanghai	29.2	18.2	74.0	7.4
Shanxi	23.0	33.4	61.6	5.0
Sichuan	23.4	34.4	61.0	4.7
Tianjin	26.7	24.2	70.2	5.6
Tibet	21.5	36.6	58.8	4.6
Xinjiang	19.5	39.6	56.8	3.7
Yunnan	19.4	39.2	56.3	4.5
Zhejiang	24.7	29.3	64.9	5.8

Source: *China Financial and Economic Publishing House,* New China's Population, *MacMillan Publishing Co., New York, 1988, p. 125.*

GROWTH TO SLOW

Shanghai's status as China's most populous city is not new. Even in 1950, one year after the founding of the People's Republic, Shanghai was the third-largest city in the world. The government's latest effort to stop urban migration, along with the success of the "One-Child Policy," should bring the annual average growth rate to about 0.7 percent this year.

By 2000, 13.5 million Chinese will live in Shanghai, and the municipality should fall to the world's eighth most populous metropolitan area, according to United Nations projections. Calcutta, Bombay, and Seoul will move ahead of Shanghai.

CITY SMARTS

Shanghai city has almost four times as many university graduates per 10,000 people as its closest neighboring county. Overall, the municipality has some of the highest educational enrollments in the country, with 45 full-time universities and vocational institutes. Fudan, one of China's most prestigious universities, is located on the city's outskirts.

Nearly 830,000 children attended Shanghai primary schools in 1984, 610,000 went to middle school, and 95,000 participated in undergraduate or graduate programs in the municipality. In addition, about 75,000 adults went back to college: 21,000 of these students took radio or TV correspondence courses in 1984.

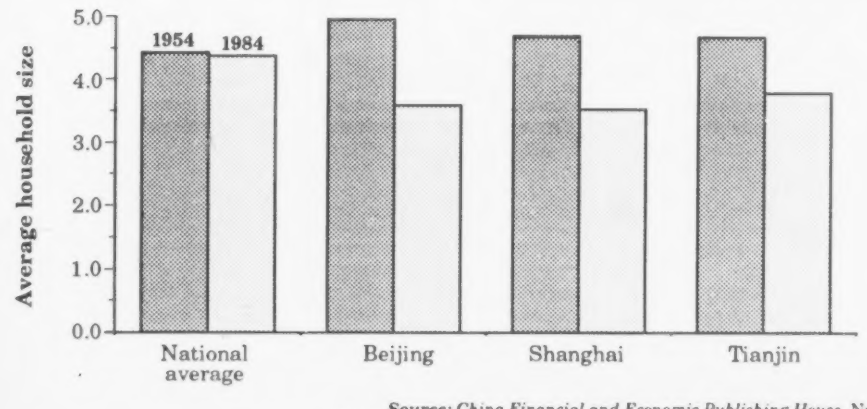
RETAIL BOOM

Despite the fact that Guangzhou and Tianjin have more stores than Shanghai, the value of Shanghai's retail sales is greater than that of any other Chinese city. In 1984 the city was home to nearly 56,000 retail stores, which employed 318,000 people. Shanghai residents bought RmB12.98 (US$5.59) billion worth of consumer goods in 1984, and Chinese outside the municipality spent nearly as much on Shanghai-made goods.

Almost half of Shanghai's 12 million people work. In 1984 fully 464,000 people worked in commerce, service trades, and catering, according to the State Statistical Bureau. Of that total, 318,000 worked in retail sales, 78,000 worked in service capacities, and 68,000 worked in catering.

WHO'S HOME?

Urban households are shrinking in size, while rural households are growing. (Average size of family households in selected Chinese cities, 1954 and 1984)



Source: China Financial and Economic Publishing House, New
China's Population, *MacMillan Publishing Co., New York, 1988, p. 144.*

TOWARD ONE BILLION

Until 1982, China's population was growing fast, especially in the northwest. (Chinese annual population growth by province, 1964–1982)

National total	**2.07%**
North	
Beijing	1.08
Tianjin	1.21
Hebei	1.65
Shanxi	1.88
Inner Mongolia	2.48
Northeast	
Liaoning	1.57
Jilin	2.02
Heilongjiang	2.69
East	
Shanghai	0.51
Jiangsu	1.71
Zhejiang	1.76
Anhui	2.58
Fujian	2.41
Jiangxi	2.52
Shandong	1.63
Central South	
Henan	2.17
Hubei	1.94
Hunan	2.07
Guangdong	2.13
Guangxi	2.51
Southwest	
Sichuan	2.13
Guizhou	2.84
Yunnan	2.58
Xizang	2.30
Northwest	
Shaanxi	1.84
Gansu	2.43
Qinghai	3.31
Ningxia	3.41
Xinjiang	3.26

Source: Bannister, Judith, China's Changing Population, *Stanford University Press, Stanford, CA, October 1987.*

BACK TO SCHOOL

Chinese adults are using the television as a classroom. (Number of adults enrolled in higher education, and number enrolled in radio and TV correspondence classes, total China and selected municipalities, 1984)

Municipality	*Number enrolled*
Total China	**1,158,317**
Of which:	
Radio & TV students	538,842
Beijing	**70,065**
Of which:	
Radio & TV students	23,741
Tianjin	**40,329**
Of which:	
Radio & TV students	16,716
Shanghai	**74,921**
Of which:	
Radio & TV students	21,477

Source: China's Urban Statistics 1985, *State Statistical Bureau, People's Republic of China, Longman Group Ltd., and China Statistical Information and Consultancy Service Centre, pp. 592–593.*

SUBURBAN BREADBASKET

Virtually no one in Shanghai city farms, but about half of all workers in the surrounding counties do. About 62 percent of the Chinese in Qingpu County, and 59 percent on Chongming Island, work in agriculture.

More than 93 percent of Shanghai's land is rural. The warm climate makes suburban Shanghai an extremely fertile region, one which produced RmB4.74 (US$2.04) billion worth of agricultural goods in 1984. The high yields resulted from a combination of mechanized farming, modern irrigation systems, and good weather.

Shanghai produced 2.53 billion tons of grain, 103,000 tons of cotton, and 116,000 tons of rapeseed in 1984. Major agricultural exports include rice, canned vegetables, edible oils, frozen poultry, pork, and tea.

INDUSTRIAL SLUMP

Traditionally, Shanghai's reputation has rested on industry, a sector that currently is losing ground to southern industrial enterprise. With a strong base in machinery, chemicals, and electronics, Shanghai's 2.6 million industrial workers must try to make technologically sophisticated products with increasingly outdated equipment.

Last year, China's overall industrial output grew 14.6 percent, while Shanghai's grew 6.8 percent. Only Tibet grew more slowly between 1984 and 1987. Since Shanghai produces about one-ninth of China's total industrial output, the problem is serious. In fact, Jiangsu Province replaced Shanghai in 1985 as the country's leading industrial region.

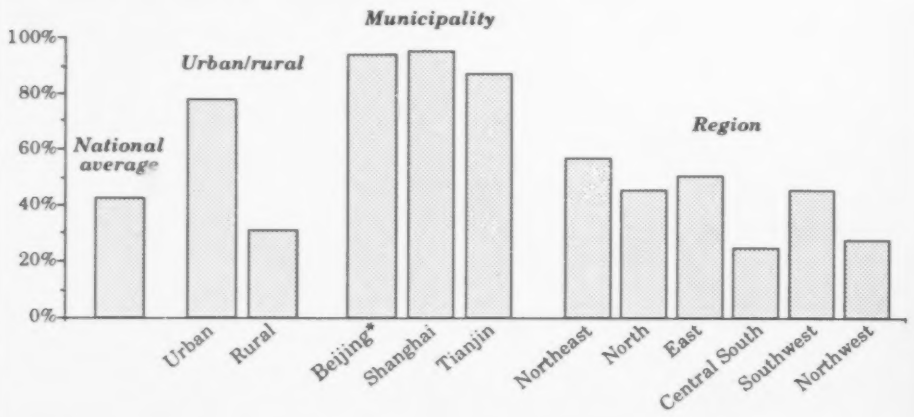
Shanghai already produces a large share of consumer goods—25 percent of all sewing machines, 33 percent of all wristwatches, 40 percent of all cameras, and almost 28 percent of Chinese television sets. But aggressive cities, such as Guangzhou, are moving ahead fast.

CHINA'S DREAM

To shake the city out of this industrial slump, leaders are now giving Shanghai more local control of its economy. Since 1985, China's central government has allowed the city

ONE-CHILD FAMILIES

Urban families along China's eastern seaboard are the most willing participants in the one-child program. (Percentage of childbearing-age couples who pledge to have only one child, by selected attributes, 1982)



* ***Note:*** *Data for 1983.*
Source: *Judith Banister,* China's Changing Population, *Stanford University Press, Stanford, CA, 1987, p. 188.*

to keep one-quarter of its revenue, up from one-tenth. This year, the mayor will retain even more revenue—an added incentive to stem the rising tide of consumer concern.

For many Chinese the prospect of living in Shanghai has always been a dream. Wages are higher, and the city offers more of life's basic amenities than other parts of the country. In China's vast rural regions, where nearly 80 percent of the population live, higher incomes can be useless because there are no goods to buy.

But lately the dream of living in Shanghai is clouded by rising prices, food rations, and work shortages. The prices of poultry, beef, fish, and vegetables have risen more than 17 percent annually in the past two years. To head off mass upheaval, pork and sugar rations began in major cities last year.

Although wages are still rising, the Chinese worry that increasing incomes won't be able to keep pace with inflation. Industrial wages (not adjusted for inflation) grew 23 percent annually between 1983 and 1986. After a bumper harvest in 1984, rural incomes rose 37 percent, to RmB603 (US$260) a year.

BIG PLANS

Most of Shanghai's infrastructure is old and in need of repair. Mayor Zhu's urban-development plans are ambitious. They are devised with an eye toward boosting foreign investment and trade. In 1986 Shanghai spent RmB1.4 billion (US$375 million) on public facilities and infrastructure, a 35 percent increase over the year before. This year, with the help of foreign funding, the municipal government will increase development spending.

To relieve traffic congestion, Shanghai planners hope to complete a 106-mile subway system costing more than US$1 billion by 1995. The new subway system will handle from 600,000 to 1 million passengers each day.

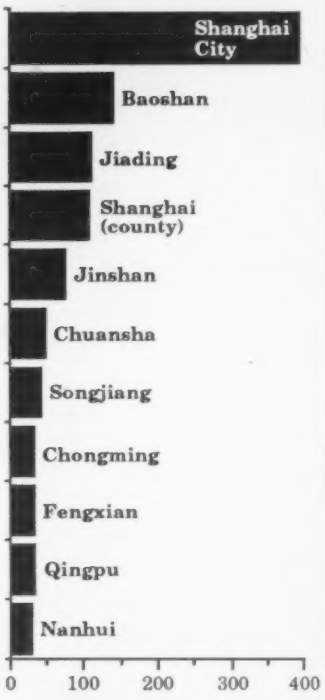
The city is also addressing an acute housing problem. From 1981 to 1985, Shanghai devoted RmB3.4 (US$1.5) billion to the renovation of old districts and the construction of new industrial "towns" such as Minhang and Hongqiao on the city's outskirts. During that time, about 270 million square feet of housing went up—more than the total volume of housing construction from 1950 through 1980.

TRADE FAIR

More than one-half of China's domestic and foreign trade passes through Shanghai by air, rail, and ship. In 1985 Shanghai became one

SHANGHAI GRADUATES

Most college-educated Chinese live in Shanghai City. (Number of bachelor degrees per 10,000 population, 1982)



Source: Population Census Office of the State Council, and the Institute of Geography of the Chinese Academy of Sciences, The Population Atlas of China, *Hong Kong: Oxford University Press, 1984, Appendix 1, pp. 168–169.*

SHOESTRING BUDGETS

As consumer prices rise, Shanghai residents change their spending patterns. (Distribution of per capita living expenditures in Shanghai municipality, in percent, 1981–83)

	1983	*1982*	*1981*
Total	100.0%	100.0%	100.0%
Food	47.2%	49.7%	50.8%
Clothes	9.0	8.7	11.1
Fuel	2.5	2.8	3.2
Housing	29.8	26.0	21.4
Daily use	10.7	11.4	12.0
Culture, recreation	0.8	1.3	1.5

Source: Taylor, Jeffrey R. and Hardee, Karen A., Consumer Demand in China: A Statistical Factbook, *Westview Press, 1986, pp. 154–169.*

of the four major coastal "open cities," a distinction that gives local decision-makers the power to approve business deals worth US$30 million. Local managers also can trade directly with foreign partners.

The Shanghai Municipal Foreign Economic and Trade Commission (SMFETC) will allow free market decisions to dominate joint ventures. By September 1985, foreign firms had signed 141 joint-venture contracts with local enterprises, 73 between 1984 and 1985 alone. The total value of this investment amounted to US$408 million.

Nearly one-third of Shanghai's joint-venture projects involve the hotel industry. Thirty new hotels are currently under construction. The municipality's hotel-room capacity will increase from 5,442 rooms to about 20,000 rooms by 1990—a 267 percent increase.

Of Shanghai's foreign investors, more than half were from Hong Kong in 1985. Sixteen percent were from the United States, and 13 percent were from Japan. Western European countries only signed ten joint-venture projects with Shanghai by 1985.

TRADE ROUTES

In 1984 Shanghai's port had 95 land berths, 102 floating berths, and handled 101 million tons of cargo. Because of Shanghai's proximity to the Pacific, its ocean-going vessels reach more than 100 countries. The city's new railway station is less than one year old. As the hub of major coastal routes, the station serves almost 40 domestic passenger lines.

—Dudley Poston, PhD
Cornell University

LONG LIFE

Chinese who live in Shanghai municipality can expect to enjoy 11.5 more years than those who live in rural Guizhou province. (Average life expectancy in China, by sex, 1982)

Area	*Life expectancy*
China	**67.9 years**
Men	66.4
Women	69.4
Shanghai	**72.9**
Men	70.5
Women	75.1
Beijing	**71.9**
Men	70.5
Women	73.4
Ningxia	**65.5**
Men	64.7
Women	66.4
Guizhou	**61.4**
Men	61.1
Women	61.6

Source: *China Financial and Economic Publishing House,* New China's Population, *MacMillan Publishing Co., New York, 1988, p. 55.*

INCOME REPORT

Aside from northwestern provinces, where workers receive "hardship" bonuses, Shanghai wages are the highest in the country. (Average annual wages for Chinese state workers, in US$, by province, 1985)

	Average annual wage
Total China	$314.86
North	
Beijing	383.71
Tianjin	332.86
Hebei	298.00
Shanxi	313.71
Inner Mongolia	312.86
Northeast	
Liaoning	304.00
Jilin	301.43
Heilongjiang	296.86
East	
Shanghai	**384.00**
Jiangsu	296.29
Zhejiang	304.29
Anhui	271.43
Fujian	302.86
Jiangxi	276.00
Shangdong	308.29
South	
Henan	$284.86
Hubei	293.43
Hunan	302.57
Guangdong	374.57
Guangxi Autonomous Region	307.71
Southwest	
Sichuan	295.14
Guizhou	304.57
Yunnan	323.14
Tibet Autonomous Region	562.00
Northwest	
Shaanxi	312.00
Gansu	384.29
Qinghai	475.43
Ningxia Autonomous Region	344.57
Xinjiang Uighur Autonomous Region	364.86

Source: Statistical Yearbook of China 1986, *p. 656;* The People's Republic of China Population Data Sheet, *Gu Baochang, Dudley L. Poston Jr., and Jing Shu, The University of Texas Printing Division, October 1987.*

*(**Religions,** continued from page 1)*

Muslim country. Fully 140 million Indonesians—or 80 percent of the archipelago's 175 million people—believe in the Islamic faith. In absolute numbers, most Muslims—647 million—live in Asia. But in relative terms, Africa has the highest share, 42 percent.

Muslim countries are relatively poor. Indonesian per capita income was about US$530 last year. In most African countries, per capita income was even lower than that. These people need basic goods that support survival. Their governments court large-scale investments that bring technological change.

Two of these countries can import more sophisticated products. Indonesians buy a larger variety of foreign products because of oil revenues accumulated in the 1970s. The Soviet Union, home to 31 million Muslims, is looking to expand trade as part of its *perestroika* campaign.

Unlike Muslims, who are distributed throughout the world, 99 percent of the 648 million Hindus live in South Asia. These people now make up 13 percent of the global population—up from 12 percent in 1972. Nearly 1.4 million Hindus live in Africa, and one-half million live in Europe, Latin America, and North America, respectively.

Both Muslims and Hindus live in regions of low income and high population growth. Incomes in India vary tremendously, but the average per capita income there was only US$270 in 1985. The population of India grew about 2 percent last year, and the population of Niger, which is 87 percent Muslim, grew 3 percent annually from 1980 to 1985.

The average family sizes in Muslim and Hindu countries are some of the highest in the world. A woman in Niger or Mauritania can expect to have seven children in her lifetime, even though contraception is not forbidden under Islamic law. An Indian woman can expect to have at least four children.

Catholics, another fast-growing religious group, face problems similar to those of Muslims and Hindus. The number of Catholics has grown from 15 percent of the world's population in 1972 to 18 percent in 1987. More than 900 million Catholic adherents are spread throughout the world, but many live in poor countries where large families are also the rule.

More than 40 percent of all Catholics live in Latin America, while 28 percent, or 254 million, live in Europe. In comparison, the U.S. Catholic population of 88 million is small. About 98 million Africans are Catholic, as are 73 million South Asians and 9 million East Asians.

The relative share of Jews, Buddhists, and Protestants in the world has hardly changed since 1972. Buddhists and Protestants each make up about 6 percent of the world's population, while Jews, who number 18 million, constitute only 0.4 percent. At least 1 billion people consider themselves "nonreligious" or "atheist."

—Blayne Cutler

MUSLIMS IN AFRICA

Africa has the highest share of Muslims. (Population, in thousands, and percent Muslim, in regions of Africa, 1987)

Region	*Population (thousands)*	*Percent Muslim*
Africa	**601,351**	**42.2%**
North Africa	134,769	91.2
West Africa	187,367	46.3
East Africa	179,102	21.4
Middle Africa	61,074	8.7
South Africa	39,039	11.0

Source: *Population Reference Bureau, Inc., and Richard V. Weeks,* Muslim Peoples: A World Ethnographic Survey, *in "The Demography of Islam," Nazy Roudi,* Population Today, *March 1988.*

Japan's New Consumers

*You can find out more about Japanese lifestyles, attitudes, demographic characteristics, spending patterns, and buying behavior in **Japan's New Consumers,** a two-part special report written by experts from the Center for International Research of the U.S. Census Bureau and the editors of* Consumer Markets Abroad.

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DISCOVER MILAN, ITALY

Milan's older Italians are the country's leading innovators.

According to common logic, if you want to target a country's most vibrant city, find out where the young people live. But common logic is not necessarily Italian logic. In Milan, Italy's manufacturing and publishing center, older Italians are bringing economic success and new life to the city.

Located in the northern Po valley between the Alps and the Apennines mountains, Milan's 1.6 million residents make up about 18 percent of the Lombardy regional population.* Less than 28 percent of Lombardy's 9 million Italians were under age 20 in 1981, compared to 30 percent nationally, according to the Italian census. About 13.1 percent of Milan residents are aged 65 and over. Only 11.8 percent of Rome residents are that old.

UNDISCOVERED MARKETS

But these mature Italians shape the fashion, print, and consumer electronics industries. Nearly one-quarter of the city's employees work in the manufacturing sector. In addition, the city trafficks about US$99 billion in banking capital.

Milan's regional labor force participation rate, at 53 percent, is slightly higher than Rome's. Traditionally, a large share of Italian women don't work: Only 32 percent of women in Rome worked in 1981. But 37 percent of Milanese women aged 15 to 64 worked that year.

On average, Milan residents earned about US$175 a week in 1982. Salaries ranged from US$20,000 for electrical engineers to US$6,100 for textile workers. Manufacturing workers, primary schoolteachers, secretaries, and bus drivers all made about US$8,000 in 1982.

** Statistics in this profile come from* The Book of World City Rankings, *John T. Marlin, Immanuel Ness, and Stephen T. Collins, Free Press, New York, 1986, pp. 300–305.*

HOUSING CRUNCH

Milanese live in crowded quarters. Nearly 23,000 city-dwellers shared one square mile in 1981—rivaling Paris, Naples, and Lisbon for Western Europe's most-crowded city.

But the municipal government is slow in responding to the housing shortage. Of 71 large cities, Milan had the slowest housing growth in 1981, at 0.12 percent.

Almost half of Milan's householders pay rent. Payments averaged US$310 a month in 1982. Average household size, at 2.6 people, is small compared to other Italian cities, because so many elderly Milanese live alone.

THE EFFECTS OF AGING

As city residents continue to age, health care will become an area of growing municipal concern. By 1981 Milan's death rate was higher than the death rate in Rome or Naples.

FOR WHAT IT'S WORTH

In Milan, bus drivers and teachers earn nearly the same wage. (Average annual wages of Milanese workers, by selected occupations, in current US$, 1982)

Occupation	*Average annual income*
Electrical engineer	$20,000
Bus driver	8,900
Manufacturing worker	8,840*
Secretary	8,400
Primary schoolteacher	8,100
Construction worker	6,600
Toolmaker	6,600
Textile worker	6,100

** Note: Data for 1981.*
Source: John T. Marlin, Immanuel Ness, and Stephen T. Collins, The Book of City Rankings, *Free Press, New York, 1986, pp. 300–305.*

The city's leading cause of death in 1981 was cancer—28 percent of deaths were cancer-related, while another 25 percent were caused by cardiovascular illness.

Regionally, there are 367 people in Lombardy for every doctor, and 125 people for every hospital bed. There are 232 people for each doctor in Rome, and 317 in Naples.

Milan's population fell 1.6 percent a year between 1977 and 1981, largely due to the high death rates associated with aging. The city is known for attracting migrant workers from southern Italy, and the large influx during the 1960s and 1970s boosted population growth. But as migration slowed, the high death rates slowed population growth in the early 1980s.

TREND-SETTER

Milan's economy is built on manufacturing, but growth in high-technology, research, and media now add to the city's diversity. Originally, major Milanese industries included machinery, automobile parts, electronics, and chemicals. New thriving sectors include aerospace engineering, textiles, computers, food processing, and publishing.

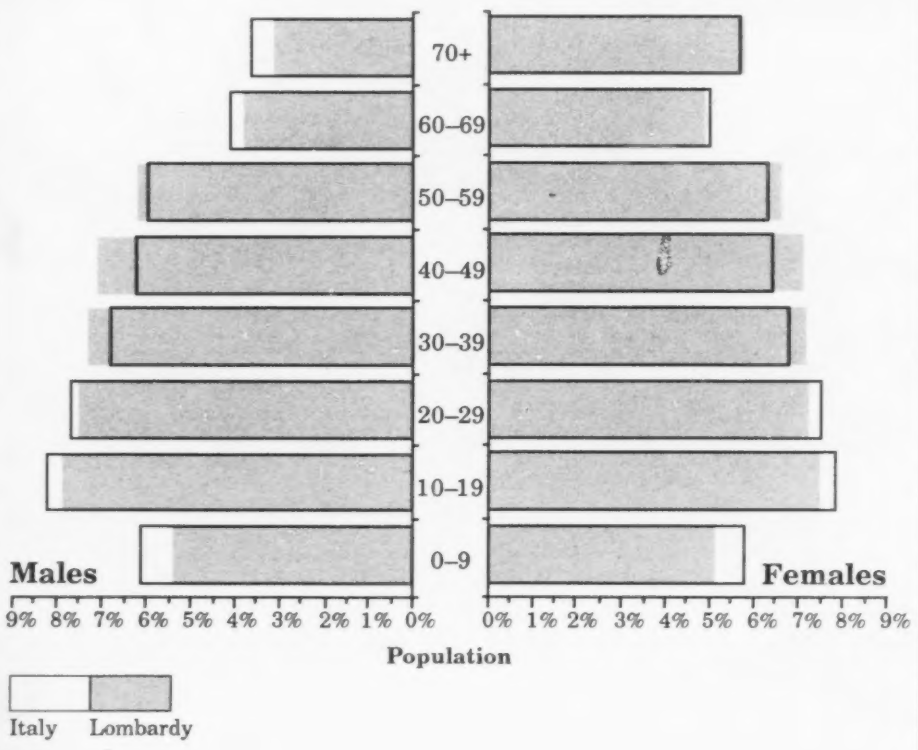
Regional employment in nonmanufacturing enterprises is low. Only 5.3 percent of the labor force worked in construction in 1981, 0.4 percent worked in mining, and 0.6 percent worked in transport and communications.

—Blayne Cutler

—Almost half of Milan's householders pay rent.

LIFE IN LOMBARDY

Lombardy's share of middle-age Italians is higher than the national average.
(Population of Lombardy and Italy by age group, in percent, 1985)



Source: A. Golini, A. DeSimoni, S. Ronzoni, Tre Scenari per il possibile sviluppo della Popolazione della regioni italiane al 2025, *Institutodi Ricerche Sulla Popolazione, Rome, 1987.*

EXPORTING VICES: SMOKING IN ASIA

Why is the tobacco industry booming in the midst of the "Great North American Smoke-Out"?

American temperance in the 1980s begins on the public bus to work each morning, continues amidst fresh conference-room air at the office, and ends in a dark café over a tasty, no-nicotine meal. In old blue-law style, one smoking ban after another knocks down the U.S. tobacco industry as Americans collectively kick the habit. So why do tobacco companies keep getting up?

PRODUCT COMPARISON

In global terms, people are smoking more, not less. While the market for cigarettes is shrinking in wealthier Western nations, it is booming in large, relatively poor countries like China and South Korea. American tobacco marketers are lobbying hard to enter the last battleground for the nicotine user, creating a public-health double standard that is beginning to capture Asia's attention.

One-fifth of the world's population, or 1 billion people, smokes 5 trillion cigarettes each year. That means each smoker consumes 14 cigarettes a day, according to the Worldwatch Institute. World cigarette consumption has doubled since 1960, rising 10 percent since 1983 alone. Almost all of the increase in smoking in recent years has occurred in the world's less-industrialized nations.

American tobacco companies sold over 63 billion cigarettes to over 100 foreign countries in 1986—up 8 percent from 1985. And cigarette exports grew fully 76 percent last year, bringing US$1 billion in new sales to U.S. cigarette manufacturers.

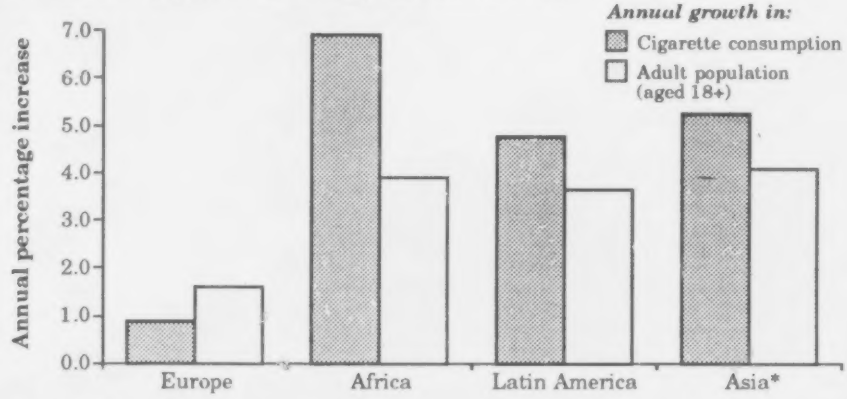
The new sales could not have occurred at home. Annual cigarette consumption in the U.S. declined from a peak of 4,345 cigarettes per person in 1963 to 3,196 per person in 1987, according to the World Health Organization (WHO). The share of American adults who smoke dropped from 30.4 percent in 1985 to 26.5 percent in 1986.

But the numbers rise fast in the East. About 20 million Taiwanese smoked 34 billion cigarettes last year. Because of import restrictions, fewer than one percent of the cigarettes Taiwanese smoked prior to 1987 came from the United States. Under the high tariffs, a pack of American cigarettes cost about US$2.86, while a pack of Taiwanese cigarettes cost US$0.79.

The floodgates opened last year when tariffs disappeared. The Tai-

LIGHTING UP

Cigarette consumption is growing faster than population in Africa, Latin America, and Asia.
(Annual percentage increase in cigarette consumption and annual adult population growth, by region, 1975–1981)



Note: Does not include Japan.
Source: 1986 World Health Statistics Annual, *World Health Organization, Geneva, 1986, figure 5.*

wanese increased their purchases of American cigarettes (which now cost about US$1.30 a pack) from US$4.4 million in 1986 to US$119 million in 1987.

In China the share of adult smokers has increased 9 percent a year since 1983. In fact, the Chinese smoke an estimated 400 billion cigarettes each year. The World Health Organization estimates that annual Chinese consumption averages 900 cigarettes per person.

About 90 percent of all Chinese men smoke heavily. Until recently they smoked traditional Asian cigarettes, which are unfiltered, unblended, and high in tar. That's why their per capita consumption rates remained lower than Western rates. That relationship may change as import quotas decline.

South Koreans lifted trade barriers to their cigarette market in May of this year. American tobacco manufacturers had been selling US$1.3 million worth of cigarettes annually in South Korea. But trade representatives expect that sales will reach hundreds of millions of dollars in the coming years.

The real gleam in U.S. tobacco marketers' eyes is the prospect of a US$20 billion cigarette market in Japan. More than 120 million Japanese smoke about 300 billion cigarettes a year, and 10 percent of those are Marlboros, Winstons, and other American brands. As recently as 1986, only 3 percent of all cigarettes bought in Japan were American. The USDA projects that the share will rise to about 20 percent by 1992.

On average, each Japanese smokes 2,636 cigarettes a year. American ad campaigns target young adults and women. Since tobacco advertisements can only run on television after 8:50 p.m., marketers use posters and promotions, such as free trials, most frequently. American manufacturers face growing criticism from the Japanese for offering free cigarettes to teens and for running promotions in places where young people gather.

Asia is becoming wary of the public-health problems associated with smoking. Restrictions on tobacco advertising are growing. Taiwan forbids tobacco ads on TV and in daily newspapers. Cigarette packages in Japan and Taiwan must warn of health risks. Hong Kong has restricted smoking to designated sections of movie theaters and public halls.

But the Marlboro man continues to ride high in Asia. As widely known as Coca-Cola, Marlboro increased its foreign market by 38 percent last year, to US$2.26 billion. Perhaps most symbolic, Hong Kong is the site for the world's largest outdoor billboard—a 3,200-square-foot rugged, smoking, cowboy from Marlboro Country.

Public-health campaigns have turned smoking into a socially unacceptable activity in the industrialized countries. People are learning that smoking kills one million people a year around the world, according to WHO. But as long as Asia's elites find status in it, smoking will continue to grow in the East.

—Blayne Cutler

BUYING AMERICAN

One-third of all U.S. cigarette exports go to Japan. (Percent of U.S. cigarette exports by country, 1987)

Country	*Percent of U.S. exports*
Japan	32.0%
Belgium	23.0
Hong Kong	12.0
Saudi Arabia	5.7
Taiwan	5.1
Singapore	3.2
United Arab Emirates	2.2
Other	16.8

Source: *U.S. Department of Agriculture.*

A GROWING HABIT

Asians are smoking more, not less. (Number of cigarettes smoked per adult per year, selected countries, 1987)*

** **Note:** Adults are aged 18 and over.*
*† **Note:** Data for 1982.*
***Note:** Until recently, per capita cigarette consumption in Asia was lower than in the U.S. because domestically-produced cigarettes are unfiltered, unblended, and high in tar.*
***Source:** International Agencies for Research on Cancer, vol. 38, Lyon, France, 1986; U.S. data:* Report of the Surgeon General, *May 16, 1988.*

REGIONS: CONSUMER TRENDS AROUND THE WORLD

Malaysian population update: population will reach 26,844,000 by 2025, according to *Case Studies in Population: Malaysia*, a United Nations publication. The growth will slow from an annual average rate of 2.4 percent between 1980 and 1985 to 0.7 percent between 2020 and 2025.

Malaysia will become older in the next century. Thirty-eight percent of Malaysians were under age 15 in 1985; only 21 percent will fall

into that age group by 2025. The share of Malaysians over age 60 will grow from 6 percent to more than 14 percent by 2025. Life expectancy will increase from 67 to 76 years, according to the UN.

The fabric of Malaysian society is sure to change as two-thirds of the country becomes urbanized—up from 40 percent in 1985. Most of that urban growth is occurring now; the annual urban growth rate was 4.6 percent in 1985. But it will fall to 1.6 percent in about 40 years. Rural population will decline between 2020 and 2025 at the rate of 1 percent a year.

Olympic tourist report: more than 250,000 people from 161 countries will attend the 1988 Summer Olympics in Seoul, South Korea. The first lucky visitors will find 1,000 rooms near the Olympic site for US$16 to $27, according to Runzheimer International. Other hotel prices will be higher, although kept to a minimum by the National Tourist Board of South Korea.

At least 500 homes will open their doors to foreigners for $25 to $30 a night, according to the Korean Travel Bureau. Bed-and-breakfast homes will have at least one foreign-language speaker.

Runzheimer projects that a day in Seoul, including three meals at business-class restaurants and lodging at a business-class hotel, will cost the Olympic sightseers US$228—that's almost one-tenth of a South Korean's average annual income.

Where are the best and worst places for women? Sweden and Bangladesh, according to the Population Crisis Committee's Population Briefing Paper *Poor, Powerless, and Pregnant*. Life expectancy in these

two countries differs by 32 years: Swedish women can expect to live to age 81, while Bangladeshi women will live to age 49 on average.

The differences these women face literally mean life and death. In Sweden, one in 167 girls dies before her fifth birthday; in Bangladesh, one in five girls dies before her fifth birthday. Even if Bangladeshi girls make it through the early years, one

INTERNATIONAL DEMO MEMO

Annual median salary of a Canadian female full-time faculty member as percent of the median salary of a male full-time faculty member:

In 1975	*82%*
In 1985	*81%*

Source: Statistics Canada.

in six 15-year-olds "will not survive her childbearing years," according to the report. Only one in 53 Swedish 15-year-olds will have the same fate.

Fewer than 1 percent of Swedish women aged 15 to 19 are married. But nearly 70 percent of Bangladeshi women in that age group are already married. These women can expect to bear five or six children in their lifetimes, while Swedish women may bear one or two.

Only 33 percent of young Bangladeshi girls go to grade school, and fewer than 2 percent of women aged 20 to 24 go to a university. Three out of 1,000 women in Bangladesh work professionally. Fully 37 percent of Swedish women aged 20 to 24 go to college. Two out of five Swedish women are professionals, and half of the paid work force is composed of women.

What's an Australian road trip? It depends on who's going, according to Tom Payton in London's *Journal of the Market Research Society*. In researching the urban Australian auto market, Payton reported that women take shorter journeys than men, and younger people drive farther than older people, in urban families with more than one car.

Married women carry more passengers—27 percent of the women surveyed carried more than one passenger on average. Daughters and sons carry the fewest passengers. Sixty percent of all trips that Australian daughters took were solo, while sons took 57 percent of their road trips alone.

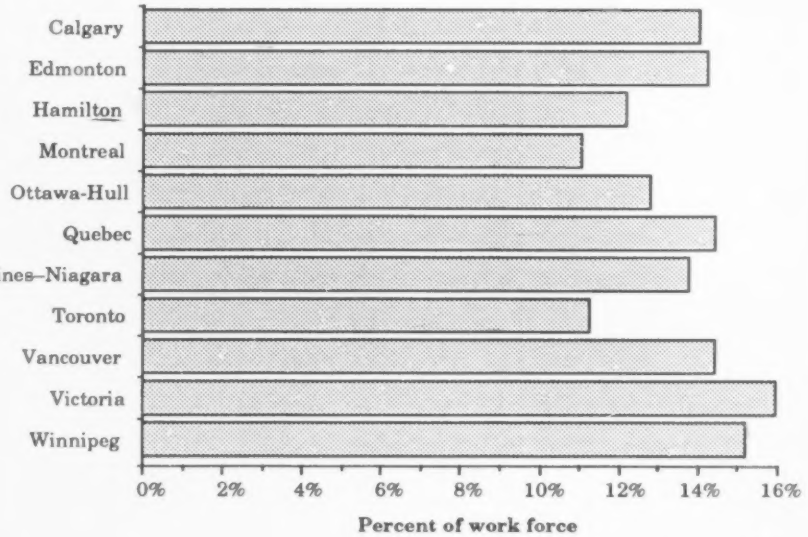
Shopping, working, and chauffeuring children were Australian wives' most-frequent reasons to drive. Work and shopping topped husbands' lists, while sports and social visits topped both sons' and daughters' lists.

OCEANIA

C I T Y S T A T S

CANADIAN SERVICE

Canada's western cities have the highest share of service workers. (Percent of work force empoyed in the service sector, selected Canadian cities, 1987)



Source: Statistics Canada.

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CORRECTION

The July 1988 Consumer Markets Abroad *City Stats table, "Breathe Deeply," provided national population totals, rather than city population totals. For more information, please contact our editorial offices.*

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Consequences, Development Through Self-Reliance, Inc., distributed through DSR, Inc., P.O. Box 281, Columbia, MD 21045, 53 minutes, US$500.00.

The first dramatic film made in Zimbabwe by Zimbabweans is not a frivolous comedy. *Consequences,* a film shot and edited in Harare, the country's capital, tackles the sensitive issue of teen pregnancy. Rita, a talented and sophisticated African 16-year-old, has much to lose from an unwanted pregnancy.

Fully 18 percent of African teenagers aged 15 to 19 give birth each year, according to the Center for Population Options in Washington, D.C. That share compares with only 5 percent worldwide. As young African women begin to postpone marriage and enter the workforce, teen pregnancy brings new complications to education and labor.

In *Consequences,* Rita, Albert, Stella, and Richard are straight-talking characters who speak to local teens. They show the anger, humiliation, and fear that come with lost educational and career prospects for Zimbabwe's urban elite. Teen pregnancy, they illustrate, is not limited to Africa's rural poor.

Consequences also depicts modern Harare life. Education is a high priority, and hard work brings career opportunities. The concerns of these African teens are strikingly similar to the high school woes of boys and girls in parts of urban America.

The filmmakers show opportunity for Harare women, rather than helplessness. Schoolteachers stress the achievements of both boys and girls. Once Rita has her baby, she immediately finds work in a large corporation. She does not blame her problems on Zimbabwean society, the pressure of her boyfriend, or on anyone else. "It's easy to blame it all on the boys. It was also a moment of weakness on my part." In a country where opportunities are precious, Rita's warning is powerfully clear.

Consequences will be followed by a film series on AIDS, according to Steve Smith of DSR. Television and film have become effective tools in spreading public-health messages, especially in regions where literacy rates are relatively low.

—Blayne Cutler

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